VZCZCXRO4820 PP RUEHAG DE RUEHCV #2472/01 2302116 ZNY CCCCC ZZH P 182116Z AUG 06 FM AMEMBASSY CARACAS TO RUEHC/SECSTATE WASHDC PRIORITY 5909 INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 6920 RUEHBR/AMEMBASSY BRASILIA PRIORITY 5723 RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 1416 RUEHLP/AMEMBASSY LA PAZ PRIORITY 2283 RUEHPE/AMEMBASSY LIMA PRIORITY 0531 RUEHMU/AMEMBASSY MANAGUA PRIORITY 1426 RUEHME/AMEMBASSY MEXICO PRIORITY 3972 RUEHQT/AMEMBASSY QUITO PRIORITY 2371 RUEHSN/AMEMBASSY SAN SALVADOR PRIORITY 0991 RUEHSG/AMEMBASSY SANTIAGO PRIORITY 3722 RUEHAO/AMCONSUL CURACAO PRIORITY 0972 RUEHGL/AMCONSUL GUAYAQUIL PRIORITY 0610 RHEHNSC/NSC WASHDC PRIORITY RUMIAAA/HQ USSOUTHCOM MIAMI FL PRIORITY RUEHUB/USINT HAVANA PRIORITY 0939 RUCNMEM/EU MEMBER STATES COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 002472

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TAGS: PGOV KDEM VE

SUBJECT: PRIMERO JUSTICIA POWER PLAYS COULD RISK OPPOSITION

CAUSE

REF: CARACAS 00259

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Classified By: ACTING POLITICAL COUNSELOR DAN LAWTON

FOR REASON 1.4 (D)

-----Summary

¶1. (C) The latest public skirmish between Primero Justicia (PJ) President Julio Borges and now ousted Secretary General Gerardo Blyde raises questions about the future of the only growing opposition party, and provides fodder for the already well-armed President Chavez. On August 12, Borges' faction forced Blyde to resign, allegedly for holding an unauthorized meeting with opposition candidate Manuel Rosales. In an August 15 press conference, Blyde and followers responded by saying they would not recognize the new PJ leadership. Blyde's group plans to remain in the party, however, and work for Rosales' campaign. So far, Rosales has handled the split well, appointing representatives from both factions to his campaign team. This and other disputes are likely to crop up in the fractious opposition that could draw Rosales' attention and voters away from the campaign, however. End Summary.

Borges and Blyde Square Off

12. (SBU) Primero Justicia (PJ) board member Carlos Ocariz announced August 12 that then-Secretary General Gerardo Blyde was asked to resign because he favored abstention in contrast to the majority of the party's base. Ocariz claimed the move was part of a larger leadership "re-accommodation" to prepare for opposition candidate Manuel Rosales' campaign. Curiously, however, the move coincided with Borges' recent

informal designation as Rosales' running mate. (Note: In Venezuela, the Vice President is appointed by the President, not elected.) The changes also appeared to bring more Borges supporters into PJ leadership roles and eliminated the "junta de conduccion," created following the PJ leaders' February 2006 spat over internal elections (Reftel). Ocariz said Blyde was not leaving the party, but would work, along with 11 other party officials, in PJ's campaign for Rosales.

- ¶3. (U) After several days out of public view, a defiant Blyde reappeared August 15 in a televised press conference and announced his supporters would not recognize the new PJ leadership. They will remain with the party, however, and participate, separately from the other PJ, in Rosales' campaign. Blyde was flanked by two PJ mayors—including popular Chacao Mayor Leopoldo Lopez—several PJ councilmen, regional PJ leaders, other ousted board members, and throngs of supporters at Caracas' Ateneo auditorium. Blyde linked his ouster to his months—long fight with Borges to hold internal elections (Reftel). He also questioned Borges' strategy of presenting himself as the VP candidate, and highlighted the irony of Borges' participatory stance in the December 3 elections compared to his attempts to squelch intra—party elections.
- ¶4. (C) PJ board member Juan Carlos Caldera (Borges' camp) told poloff August 16 that Blyde was really dismissed because he met with opposition presidential candidate Manuel Rosales, told him the party was splitting, and offered the services of his faction, which is the larger of the two. (Comment: Blyde supporter (and former PJ board member and National Assembly deputy) Liliana Ortega's statements to the press August 19 suggest this account might be at least partially true.) Caldera said once regional leaders heard about the betrayal, a majority of them reportedly backed the

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Borges faction's recommendation to have Blyde step down. In negotiations between the two sides, Caldera said Armando Briquet was chosen as the new Secretary General. Caldera said the PJ board will meet the week of August 21 to prepare for the campaign. If the Blyde faction decides not to participate and continues its defiance, its members could be dismissed from the party.

Lose-Lose Strategy

- 15. (C) This latest skirmish between Blyde and Borges comes at a bad time for Primero Justicia and Rosales. While it is strongest in Caracas only, and draws much of its strength from Venezuela's thin middle class, PJ is the only opposition party that has increased its vote share in the past couple of elections. Many have viewed the party as a break from the discredited old guard opposition parties like Accion Democratica and COPEI, although its recent participation in the Coordinadora Democratica coalition during the 2004 recall effort and unified opposition candidate slates since then, had somewhat tarnished that image. Still, PJ boasts several popular local and national-level politicians, and with Borges as the unofficial Vice Presidential candidate the party stands to grow even more.
- 16. (C) Because the power plays and Blyde's accusations against Borges are reminiscent of old guard politics, they may dampen support for Rosales among the critical undecided "ni-ni" voting group. Chavez, who has predictably already dismissed Rosales as the choice of the "Empire-backed elite," is sure to capitalize on the rift as part of his electoral discourse. Caldera also told poloff the split has complicated PJ's efforts to set up regional campaign committees. For now, Rosales has shrewdly responded to the PJ rift by incorporating members of both camps, including placing both Blyde and Briquet in charge of the youth campaign.

Comment

17. (C) Personal squabbles and sectoral interests among the opposition are not new, but this public Primero Justicia split detracts from the initial excitement generated by Rosales' consensus candidacy can overcome them. Rosales' temporary fix speaks to his conciliation skills, but simmering conflicts could be a distraction. The well-armed Chavez government can be expected to exploit these divisions as just old, traditional elite politics under a new banner.

WHITAKER